

PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, April 16, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meeting of Thursday, April 2, 2009.

1-AC-227 – Retention of Meters

The Commission approved the request to open a rulemaking docket regarding utility retention of gas, electric and water meters for testing purposes and retention of meter reading records.

The Commission modified and approved a Statement of Scope and directed Commission staff to prepare and transmit the necessary documents.

5-AE-177 – Application of American Transmission Company LLC and Wisconsin Public Service Corporation for Approval of a Capacitor Lease Agreement

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-AE-178 – Application of Wisconsin Power and Light Company and American Transmission Company LLC for Approval of a Brodhead-South Monroe Facility Relocation and Modification Agreement as an Affiliated Interest Agreement

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-UI-117 – Investigation on the Commission's Own Motion Regarding Affiliated Interest Agreements in Holding Company Systems

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4000-CE-103 – Application of the Village of Muscoda, as an Electric Public Utility, for Authority to Upgrade its Existing Industrial Substation, Located in the Village of Muscoda, Grant and Iowa Counties

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6680-DU-106 – Application of Wisconsin Power and Light Company for Depreciation Rates for the Neenah Generating Facility Assets

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6680-SB-133 – Application of Wisconsin Power and Light Company for Authority to Issue and Sell Up to \$600,000,000 Aggregate Principal Amount of Debt Securities in One or More Series

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6685-EB-100 – Application of WPPI Energy for Blanket Approval of Purchase from its Members of ATC Ownership Interests in Connection with ATC Capital Calls and Matching Rights

This item was laid over at the request of the Commission.

2480-WR-102 – Application of Hartland Municipal Water Utility, Waukesha County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and Telephonic Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2620-WR-106 – Application of Village of Howard Water and Sewer Department, Brown County, Wisconsin, for Authority to Revise Water Rates

The Commission approved the Notice of Proceeding and Telephonic Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5690-CW-106 – Application of Stevens Point Municipal Water Utility, Portage County, Wisconsin, to Construct a New Well 11 and Manganese Removal Facilities

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6335-CW-100 – Application of Waverly Sanitary District, Calumet County, Wisconsin, to Construct a Second Water Main Connection to Appleton's Water System and a Metering Station to Receive Wholesale Water from Appleton

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6500-CW-103 – Application of Whitehall Municipal Water Utility, Trempealeau County, Wisconsin, to Construct Improvements to its Existing Water Treatment Plant to Reduce Iron and Manganese

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6630-EM-100 – Application of Wisconsin Electric Power Company and Randolph Wind, LLC, for All Requisite Approvals in Connection With the Merger of Randolph Wind, LLC, Into Wisconsin Electric Power Company

This item was laid over at the request of the Commission.

137-CE-147 – Application of American Transmission Company LLC, as an Electric Public Utility, to Construct a New 345 kV Transmission Line from the Rockdale Substation to the West Middleton Substation, Dane County, Wisconsin

American Transmission Company LLC Motion for Interlocutory Review

The Commission denied the motion for interlocutory review regarding supplemental testimony of Mr. Brian Fischer and Exhibit 66 filed on behalf of American Transmission Company.

Commissioner Azar dissented.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

**4220-FR-103 – Fuel Rules Proceeding to Adjust Northern States Power Company–
Wisconsin, d/b/a Xcel Energy, 2009 Electric Rates Originally Set in Docket 4220-UR-115**

Request to Reopen

The Commission opened docket 4220-FR-103, under the fuel rules in Wis. Admin. Code ch. PSC 116, for Northern States Power Company-Wisconsin (NSPW). NSPW's electric rates, beginning April 21, 2009, are subject to refund with interest at 10.75 percent, pending the final decision for a rate reduction.

The Commission directed the Gas and Energy Division to draft a notice and order consistent with its discussion.

6630-CE-302 – Application of Wisconsin Electric Power Company for a Certificate of Public Convenience and Necessity to Construct a Wind Electric Generation Facility and Associated Electric Facilities, to be Located in the Towns of Randolph and Scott, Columbia County, Wisconsin

1-IC-412 – Application for Intervenor Compensation Filed by Citizens' Utility board for \$94,950 to participate in Docket 6630-CE-302

1-IC-413 Application for Intervenor Compensation Filed by Clean Wisconsin for \$66,550 to participate in Docket 6630-CE-302

The Commission modified and approved the request for intervenor compensation filed on behalf of the Citizens' Utility Board, awarding the amount of \$90,000 to participate in Wisconsin Electric Power Company's application for a certificate of public convenience and necessity to construct the Glacier Hills Wind Park.

The Commission modified and approved the request for intervenor compensation filed on behalf of Clean Wisconsin, awarding the amount of \$43,300 to participate in Wisconsin Electric Power Company's application for a certificate of public convenience and necessity to construct the Glacier Hills Wind Park.

The Commission directed the Gas and Energy Division to draft orders consistent with its discussion.

6630-FR-101 – Fuel Rules Proceeding to Adjust Wisconsin Electric Power Company's Electric Rates Originally Set in Docket 5-UR-103

The Commission determined that Wisconsin Electric Power Company shall refund the \$20.6 million overcollection of 2008 fuel costs, including interest at 10.75 percent through May 2009

over actual sales from April 2008 through December 2008. This amount includes accrual and fuel rules treatment of Revenue Sufficiency Guarantee revenues in 2008.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

6680-FR-101 – Fuel Rules Proceeding to Adjust Wisconsin Power and Light Company Electric Rates Originally Set in Docket 6680-UR-115

6680-FR-100 – Fuel Rules Proceeding to Adjust Wisconsin Power and Light Company Electric Rates Originally Set in Docket 6680-UR-115

The Commission determined that Wisconsin Power and Light Company shall refund the \$12.5 million overcollection of 2008 fuel costs, including interest at 10.80 percent through May 2009 over actual December 2008 sales. This amount includes accrual and fuel rules treatment of Revenue Sufficiency Guarantee revenues in 2008.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

9385-TI-100 – Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Wisconsin

Review of Application, Responses to Data Requests and Consideration of Issues

The Commission considered and conditionally granted the petition filed on behalf of TracFone Wireless, Inc. (TracFone), for eligible telecommunications carrier (ETC) status.

The Commission granted TracFone's request for modification of the Lifeline benefit to allow credited monthly minutes in lieu of the standard monthly rate credit.

The conditional approval is contingent upon a filing by TracFone, within 60 days of the date of the order, of a plan, acceptable to the Administrator of the Telecommunications Division, which explains TracFone's intentions for, and commitments to, tracking the usage of its phones and the steps that will be taken to limit Lifeline credit reimbursement for phones no longer in use. The plan will also include an explanation of the calculation of the comparable amount of minutes credited for each Lifeline customer and the means of adjusting credited minutes when appropriate. Upon receipt of an acceptable plan, the Administrator of the Telecommunications Division shall notify TracFone of the effective date of its ETC status.

The Commission granted TracFone's request for a waiver of the minimum monthly rate requirement of the Lifeline program.

The Commission granted TracFone's request for a different application of the payphone rule.

The Commission directed the Telecommunications Division to draft an order consistent with its discussion.

6690-107187 – Complaint Filed by Richard Wirrer Against Wisconsin Public Service Corporation

Supplemental Memorandum to Commission Agenda Memorandum Dated January 30, 2009

This item was laid over at the request of the Commission.

6690-UR-119 – Application of Wisconsin Public Service Corporation for Authority to Adjust Electric and Natural Gas Rates

The Commission approved Wisconsin Public Service Corporation's (WPSC) community-based pilot plan, WPSC's Revenue Stabilization Mechanism (RSM) compliance tariffs and accounting method, and Focus on Energy's plan for additional energy efficiency and renewable initiatives.

The Commission accepted WPSC's progress report on the community-based pilots. WPSC will continue to develop these pilots, and by July 1, 2009, shall develop quantitative goals and objectives, finalize rate designs, finalize energy efficiency and renewable energy offerings, identify the community for the initial pilot, develop an implementation plan, retain an evaluation contractor, develop an evaluation plan, formalize the pilot management structure, develop a back office system plan and finalize budgets.

The Commission declined to act on WPSC's request for a temporary waiver from Wis. Admin. Code §§ PSC 113.0406(4) and 134.13(4) at this time. Any future request for a temporary waiver shall clearly identify the need for the waiver and provide alternatives for meeting the intent of the Code provisions for which it is seeking the waiver.

The Commission determined that Focus on Energy shall receive Commission staff approval of program templates before proceeding to develop detailed implementation plans. The detailed implementation plans shall be filed by July 1, 2009.

The Commission accepted WPSC's proposed RSM accounting methods, as modified by Commission staff, to use Sales of Electricity accounts rather than Other Operating Revenue accounts. Commission staff will review over-or under-collection balances on an annual basis.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

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The Commission adjourned the meeting at 11:30 a.m.

Sandra J. Paske
Secretary to the Commission